

Control Number: 48785



Item Number: 134

Addendum StartPage: 0

CONSOLIDATED SOAH DOCKET NO. 473-19-1265 CONSOLIDATED PUC DOCKET NO. 48785

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JOINT APPLICATION OF ONCOR	§	201711313131111
ELECTRIC DELIVERY COMPANY	§	1250
LLC, AEP TEXAS INC., AND LCRA	§	BEFORE THE STATE OFFICE
TRANSMISSION SERVICES	§	
CORPORATION TO AMEND THEIR	§	
CERTIFICATES OF CONVENIENCE	§	OF
AND NECESSITY FOR 345-KV	§	
TRANSMISSION LINES IN PECOS,	§	
REEVES, AND WARD COUNTIES,	§	ADMINISTRATIVE HEARINGS
TEXAS (SAND LAKE TO SOLSTICE	§	
AND BAKERSFIELD TO SOLSTICE)	§	

SETTLEMENT TESTIMONY AND EXHIBITS

OF

SONYA MIRANDA

ON BEHALF OF

APPLICANTS
LCRA TRANSMISSION SERVICES CORPORATION
And
AEP TEXAS INC.

February 2019

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CONSOLIDATED SOAH DOCKET NO. 473-19-1265 CONSOLIDATED PUC DOCKET NO. 48785 SETTLEMENT TESTIMONY AND EXHIBITS OF SONYA MIRANDA

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EXHIBITS

Exhibit SM-S-1: Map of Route 24

Exhibit SM-S-2: Point of Interconnection Between LCRA TSC and AEP Texas

CONSOLIDATED SOAH DOCKET NO. 473-19-1265 CONSOLIDATED PUC DOCKET NO. 48785 SETTLEMENT TESTIMONY AND EXHIBITS OF SONYA MIRANDA

1		I. <u>INTRODUCTION</u>
2	Q.	PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.
3	A.	My name is Sonya Miranda. My last name recently changed from Strambler to Miranda.
4		My business address is: Lower Colorado River Authority, 3505 Montopolis Drive,
5		Building D, Austin, Texas 78744.
6	Q.	DID YOU PREVIOUSLY PROVIDE DIRECT TESTIMONY IN THIS
7		PROCEEDING?
8	A.	Yes. As I discussed above, my last name recently changed to Miranda, but I am the same
9		person that previously testified in this proceeding as "Sonya Strambler."
0	Q.	WAS YOUR SETTLEMENT TESTIMONY PREPARED BY YOU OR BY
1		KNOWLEDGEABLE PERSONS UPON WHOSE EXPERIENCE, JUDGMENT,
12		AND OPINIONS YOU RELY IN PERFORMING YOUR DUTIES?
13	A.	Yes, it was.
14	Q.	IS THE INFORMATION CONTAINED IN YOUR SETTLEMENT TESTIMONY
15		TRUE AND CORRECT TO THE BEST OF YOUR KNOWLEDGE AND
16		BELIEF?
17	A.	Yes, it is.
18	Q.	HAVE YOU REVIEWED THE TESTIMONY FILED IN THIS PROCEEDING BY
19		INTERVENORS AND STAFF OF THE PUBLIC UTILITY COMMISSION OF
20		TEXAS (COMMISSION OR PUC)?
21	A.	Yes, I have.
22		II. PURPOSE OF SETTLEMENT TESTIMONY
23	Q.	WHAT IS THE PURPOSE OF YOUR SETTLEMENT TESTIMONY?
24	A.	This testimony is being presented to support the Unanimous Stipulation on Routing of the
25		Bakersfield to Solstice Project within Pecos County (Route Stipulation) that has been
26		agreed to by LCRA TSC AEP Texas, Oncor Electric Delivery Company LLC (Oncor).

the Staff of the Public Utility Commission of Texas (Commission Staff), and all of the intervenors who remain parties to this proceeding who are affected by one or more route alternatives for the Bakersfield to Solstice 345-kV transmission line project, including: Occidental Permian Ltd., Oxy Delaware Basin, LLC, Oxy USA Inc., Oxy USA WTP LP, Houndstooth Resources, LLC, and Occidental West Texas Overthrust, Inc. (Oxy), MMSmithfield Family Limited Partnership, Ltd. (MMSmithfield), Pettus Czar, Ltd., Atmos Pipeline-Texas (Atmos), Gale and Dorothy Smith, Elizabeth Graybill, and Mary Graybill-Rees (collectively, the Signatories).

9 O. PLEASE DESCRIBE THE ROUTE STIPULATION.

10 A. The Route Stipulation is an agreement of all parties to this proceeding that are affected by
11 the routing of the proposed Bakersfield to Solstice 345-kV double-circuit transmission
12 line that will be constructed, owned, operated, and maintained by LCRA TSC and AEP
13 Texas (the Bakersfield to Solstice Project). In the Route Stipulation, all of the Signatories
14 agree to and support the Commission's approval of the Bakersfield to Solstice Project on
15 Route 24.

16 Q. DOES THE ROUTE STIPULATION ADDRESS ISSUES REGARDING THE NEED FOR THE PROJECT?

A. No. The Route Stipulation only addresses the routing of the Bakersfield to Solstice Project. The need for the Bakersfield to Solstice Project is also associated with the need for several projects, collectively known as the Far West Projects, which include the Sand Lake to Solstice double-circuit 345-kV transmission line within Pecos, Reeves, and Ward Counties (Sand Lake to Solstice Project) that was jointly filed by Oncor and AEP Texas on the same date LCRA TSC and AEP Texas filed the Bakersfield to Solstice Project. Both projects were reviewed and jointly endorsed by the Electric Reliability Council of Texas (ERCOT) Board of Directors on June 12, 2018, and designated at that time by the ERCOT Board as critical to the reliability of the ERCOT system. Commission Staff agrees that both projects are needed. No party remaining in this proceeding affected by the routing of either project has challenged the need for either of the projects. A Unanimous Need Stipulation (Need Stipulation) has been entered into by all parties to

this proceeding and will be offered into evidence contemporaneous with the Route Stipulation and this testimony.

III. SUPPORT FOR ROUTE 24

4 Q. PLEASE DESCRIBE ROUTE 24.

A.

Route 24 comprises segments A-C-D-E-F-M-R-W-X-Y. A map depicting Route 24 is provided as Exhibit SM-S-1 to this testimony. The total length of the right-of-way (ROW) for Route 24 is 71.1 miles and the estimated cost is \$155,959,000. In response to Question 17 of LCRA TSC's and AEP Texas' joint application to amend their certificates of convenience and necessity (CCN) to construct, own, and operate the Bakersfield to Solstice Project (the Application), Route 24 was identified by the utilities as the route that best addresses the requirements of the Public Utility Regulatory Act (PURA) and the Commission's Substantive Rules.

On December 20, 2018, the Texas Parks and Wildlife Department (TPWD) filed a letter in this proceeding expressing a recommendation for Route 24 as the route having the least potential to impact fish and wildlife resources.

On January 30, 2019, Mr. Blake Ianni filed testimony on behalf of Commission Staff concluding that Route 24 "is the best project alternative when weighing, as a whole, the factors set forth in PURA § 37.056(c), the factors found in 16 TAC § 25.101, and issues identified in the Order of Referral and Preliminary Order."

No party filed testimony or a statement of position regarding the Bakersfield to Solstice Project that opposed, disputed, or challenged Route 24 as the best route for the construction of the project.

Q. WILL THERE BE OTHER COSTS ASSOCIATED WITH CONSTRUCTION OF THE BAKERSFIELD TO SOLSTICE PROJECT?

25 A. Yes, the estimated cost for upgrade of the Bakersfield Station is \$6,533,000 and the estimated cost for upgrade of the Solstice Switch Station is \$38,457,000. These costs will be the same regardless of which route is approved for the project.

1	Q.	WHAT ARE SOME OF THE FEATURES OF ROUTE 24 THAT MAKE IT THE
2		BEST ROUTE FOR THE COMMISSION TO APPROVE FOR THE
3		BAKERSFIELD TO SOLSTICE PROJECT?
4	A.	Route 24 has the following features that make it the best route for the Commission to
5		approve for the Bakersfield to Solstice Project:
6		• LCRA TSC, AEP Texas, and Commission Staff all support and recommend
7		Route 24 as the route most compliant with the applicable statutory and regulatory
8		requirements applicable to transmission line routing;
9		• TPWD recommends Route 24 as having the least potential to impact fish and
10		wildlife resources;
11		• No party to this proceeding opposes construction and operation of the Bakersfield
12		to Solstice Project on Route 24;
13		• It has the highest percentage parallel and adjacent to existing corridors
14		(transmission lines, public roads/highways and apparent property boundaries) for
15		86 percent of its total estimated length (61.5 miles of 71.1 miles);
16		• It has a significant portion of length parallel and adjacent to an existing
17		transmission line that is currently being rebuilt from 69-kV to 138-kV, which will
18		decrease the amount of new disturbance;
19		• It is the fourth shortest route at 71.1 miles and is only 3.3 miles longer than the
20		shortest route;
21		• It has a relatively low cost (fourth lowest estimated cost at \$155,959,000);
22		• It has a relatively low number of habitable structures, five, within 500 feet of its
23		centerline;
24		• It has a low overall aesthetic impact;
25		• It does not cross and is not within 1,000 feet of any park or recreational areas and
26		is not within the visual foreground zone of any park or recreational area;
27		 It is not within proximity to any airport, airstrip, or heliport;
28		• It has the least ROW within the foreground visual zone of Interstate, U.S., and
29		state highways at 4.0 miles; and

• It does not cross rivers, University Lands, parks, open waters, or any known habitat for federally-listed threatened or endangered species and has the second fewest stream crossings and runs parallel to streams/rivers for only 2,112 feet.

Q. IF ROUTE 24 IS APPROVED, HOW DO LCRA TSC AND AEP TEXAS PROPOSE TO DIVIDE THE BAKERSFIELD TO SOLSTICE PROJECT BETWEEN THEM?

As proposed in the Application, LCRA TSC and AEP Texas are co-applicants in this proceeding. Each will own 50 percent of the Bakersfield to Solstice Project. LCRA TSC is seeking certification to construct, own, operate, and maintain the eastern half of the transmission line connecting to LCRA TSC's Bakersfield Station (including all necessary construction associated with expansion of the Bakersfield Station). LCRA TSC will own, operate, and maintain all transmission line facilities, including conductors, wires, structures, hardware, and easements of the eastern half of the transmission line. AEP Texas is seeking certification to construct, own, operate, and maintain the western half of the transmission line connecting to AEP Texas' Solstice Switch Station (including all necessary construction associated with expansion of the Solstice Switch Station). Thus, AEP Texas will own, operate, and maintain all transmission line facilities, including conductors, wires, structures, hardware, and easements of the western half of the transmission line. Each utility will be responsible for its respective portions of the Bakersfield to Solstice Project, including design, ROW acquisition, material procurement, construction, and any necessary permitting for its half of the project.

The structure closest to the middle of the approved route will be a dead-end structure owned by AEP Texas. LCRA TSC's ownership will extend from the Bakersfield Station to the west to the point at which its conductors connect to AEP Texas' dead-end structure (the Point of Interconnection). On Route 24, the Point of Interconnection between the LCRA TSC and AEP Texas facilities will be at a structure owned by AEP Texas on Segment M. The mid-point structure will be located 14.40 miles north of Interstate-10 and 2200 feet west of Farm-to-Market (FM) Road 1053. Exhibit SM-S-2 attached to this testimony shows the location of the proposed Point of Interconnection between LCRA TSC and AEP Texas for Route 24.

A.

- Q. DOES ROUTE 24 OVERLAP WITH ANY OF THE PROPOSED ROUTES FOR THE ONCOR/AEP TEXAS SAND LAKE TO SOLSTICE PROJECT AROUND SOLSTICE STATION?
- A. No. I have reviewed the proposed routes and links for the Sand Lake to Solstice project and Route 24 does not overlap with any of them as it terminates into Solstice station.

 Route 24 will not limit or affect the choice of available routing options for the Sand Lake to Solstice project.

8 IV. TEXAS PARKS AND WILDLIFE RECOMMENDATIONS

- 9 Q. HAVE YOU REVIEWED THE LETTER FILED IN THIS PROCEEDING BY
 10 TPWD REGARDING THE BAKERSFIELD TO SOLSTICE PROJECT?
- 11 A. Yes, I have.

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- 12 Q. WHAT IS YOUR RESPONSE TO THE TPWD RECOMMENDATIONS AS IT RELATES TO THE ROUTE STIPULATION?
- 14 The TPWD letter includes comments and recommendations regarding the project and A. 15 potential impacts on sensitive fish/wildlife resources, habitats, or other sensitive natural resources. This information provides some sound and reasonable advice. Overall, the 16 letter includes typical concerns, comments, and recommendations that are often provided 17 18 by TPWD with regard to proposed transmission line projects. LCRA TSC and AEP Texas have already taken into consideration several of the recommendations offered by 19 20 TPWD as set forth in the Environmental Assessment included as Attachment 1 to the 21 Application.

The Commission's standard ordering language in CCN proceedings regarding consultation with TPWD and the United States Fish and Wildlife Service, minimizing flora and fauna disturbance and re-vegetation, ROW clearing techniques and erosion control, and minimizing the potential impact to migratory birds and threatened or endangered species are appropriate and sufficient with respect to construction of the Bakersfield to Solstice Project on Route 24 or any other route approved for construction and operation of the project.

V. <u>NEED FOR EXPEDITED CONSIDERATION</u>

- Q. WHY ARE LCRA TSC AND AEP TEXAS PURSUING THE ROUTE
 STIPULATION, THE NEED STIPULATION, AND SETTLEMENT OF THE
 BAKERSFIELD TO SOLSTICE PROJECT?
- 5 A. As I mentioned previously in this testimony, and as Mr. Brent Kawakami described in 6 detail in his direct testimony (filed in support of both the Bakersfield to Solstice Project 7 and the Sand Lake to Solstice Project), both projects have been designated by ERCOT as critical to the reliability of the ERCOT system. Both projects are needed today and the 8 9 need increases each day as oil and gas development in the Far West Texas region 10 expands. LCRA TSC and AEP Texas are making every effort to construct the Bakersfield 11 to Solstice Project with a targeted energization date of December 2020 (a little over 22 12 months from today). In order to acquire ROW, design the transmission line and 13 substation facilities, procure equipment and materials, clear ROW, and construct the line 14 and station upgrades by the end of 2020, every day saved in obtaining a final order from 15 the Commission is critical to achieving the extremely aggressive construction schedule.

VI. SUMMARY AND CONCLUSION

17 Q. PLEASE SUMMARIZE YOUR TESTIMONY.

A. LCRA TSC and AEP Texas have entered into a Route Stipulation and Need Stipulation resolving all potentially contested issues associated with the statutory and regulatory compliance of the Application. Commission Staff agrees the Bakersfield to Solstice Project and the Sand Lake to Solstice Project are needed, and no party affected by either project challenges the need for the projects. In addition, Commission Staff and TPWD both agree that Route 24 is the best route for the Bakersfield to Solstice Project, which is the same route that LCRA TSC and AEP Texas identified as the route that best addresses the requirements of PURA and the Commission's Substantive Rules. All of the parties affected by the Bakersfield to Solstice Project support the Commission's approval of the project on Route 24.

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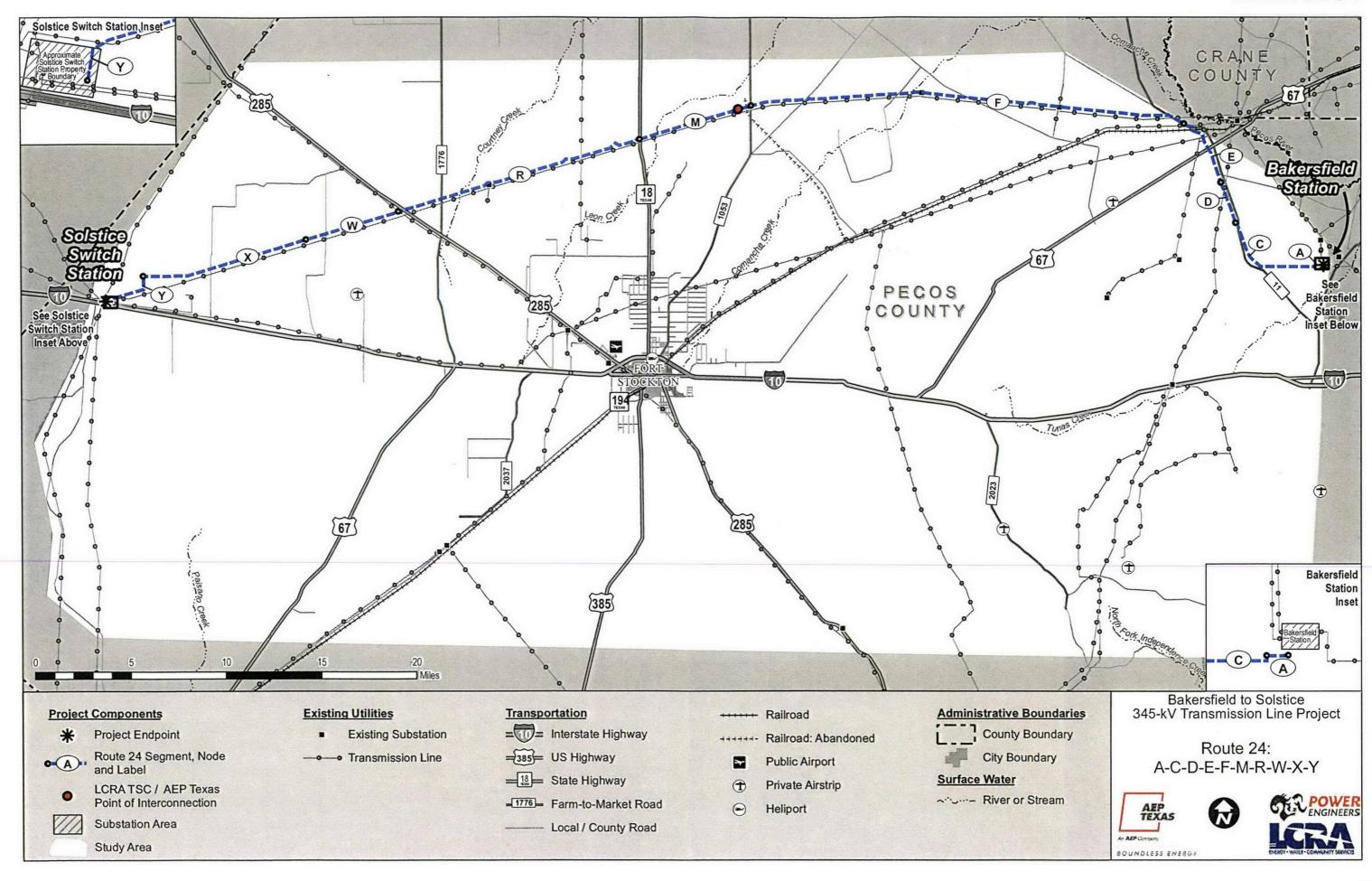
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The public interest supports prompt issuance of an order from the Commission approving the requested CCN amendments of LCRA TSC and AEP Texas to construct, own, and operate the Bakersfield to Solstice Project on Route 24 in the manner described in this testimony and the other materials in evidence for the Commission's evaluation and consideration.

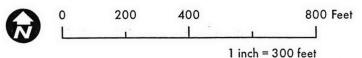
6 Q. DOES THIS CONCLUDE YOUR DIRECT TESTIMONY?

7 A. Yes.





Bakersfield to Solstice 345-kV Transmission Line Project Location of LCRA TSC/AEP Texas Point of Interconnection



The Point of Interconnection for LCRA TSC facilities and AEP Texas facilities will be located at the midpoint of Route 24, at a structure owned by AEP Texas, on Segment M. Subject to final surveying, engineering and geological assessment, the Point of Interconnection will be located 14.40 miles north of I-10 and 2200 feet west of FM 1053.

LCRA TSC will construct, own, operate and maintain the transmission line east of the Point of Interconnection and AEP Texas will construct, own, operate and maintain the transmission line west of the Point of Interconnection and including the structure on which the Point of Interconnection occurs.



AEP Texas/LCRA TSC Point of Interconnection



Parcel Boundary

Aerial Imagery: February 24-26, 2018 Parcel Data: October 2018







An AEP Company **EXHIBIT SM-S-2**

